



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

JAN 3 2006

Andrew E. Kuniholm
SMS Direct Printing, Inc.
7540 Mason King Court
Manassas, VA 20109

RE: MUR 5635

Dear Mr. Kuniholm:

On January 11, 2005, you were notified that the Federal Election Commission found reason to believe that SMS Direct Printing, Inc. ("SMS") violated 2 U.S.C. § 441b(a). On January 26, 2005, SMS submitted a response to the Commission's reason to believe finding. After considering the circumstances of the matter, the Commission determined on December 14, 2005, to take no further action, and closed the file in this matter.

The Commission reminds you that SMS's forgiveness of debt associated with Conservative Leadership Political Action Committee's failure to pay SMS for goods and services rendered is a violation of 2 U.S.C. § 441b(a). You should take steps to ensure that this activity does not occur in the future.

Documents related to the case will be placed on the public record within 30 days. *See* Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003).

If you have any questions, please contact me at (202) 694-1650.

Sincerely,

A handwritten signature in black ink, appearing to be "Beth Mizuno".

Beth Mizuno
Attorney

26044130199